

QUONSET DEVELOPMENT CORPORATION
MEETING OF BOARD OF DIRECTORS

January 20, 2015

PUBLIC SESSION MINUTES

A meeting of the Board of Directors of the Quonset Development Corporation (the “Corporation”) was held at 5:00 p.m. on Tuesday, January 20, 2015, at the offices of the Corporation located at 95 Cripe Street, North Kingstown, Rhode Island, pursuant to notice to all members of the Board of Directors and a public notice of the meeting as required by the Bylaws of the Corporation and applicable Rhode Island Law.

The following members constituting a quorum were present and participated throughout the meeting as indicated: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Elizabeth Dolan, John A. Dorsey, John G. Laramée, Gregory A. Mancini, Kerry P. McKay, Anthony F. Miccolis, Jr., James Rugh, and Marcel A. Valois. Also present were: Steven J. King, P.E., Managing Director; E. Jerome Batty, Secretary; and Corporation’s staff and members of the public.

1. CALL TO ORDER:

The meeting was called to order at 5:00 p.m. by Chairman Marcel A.

Valois.

2. APPROVAL OF MINUTES:

Upon motion duly made by Mr. Breslin and seconded by Mr. Dorsey, the Board:

VOTED: To approve the Public Session Minutes of the November 18, 2014 meeting, as presented.

Voting in favor were: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Elizabeth Dolan, John A. Dorsey, John G. Laramée, Kerry P. McKay and James Rugh.

Voting Against were: None.

Unanimously Approved.

Mr. Miccolis and Mr. Mancini joined the meeting.

3. STAFF REPORTS:

Mr. King welcomed Mr. McKay to the Quonset Development Corporation's Board of Directors and then reviewed the Staff report.

Mr. King noted that the Port of Davisville had another record breaking

year, for the 5th year in a row, reporting 178,215 units were imported in 2014.

Mr. King also handed out the Corporation's 2014 annual Statutory Report, attached hereto as Exhibit A1, which will be posted on the Quonset Development Corporation's website. The Board reviewed "Key Statistics" on page 4 of the report.

The Board decided, due to various requests, to put into place a "Naming" policy in relation to the Quonset Business Park's roads. Mr. King stated the staff will create a policy for the Board to review and approve, then all requests will be presented to the Board and approved based on that policy.

Mr. David Preston, of The New Harbor Group, presented the Board with a framed newspaper article highlighting the recent 10,000 Employee Celebration at the Quonset Business Park.

4. COMMITTEE REPORTS:

There were no meetings of the Quonset Development Corporation committees.

5. APPROVALS:

A. Approval of Revisions to the Port of Davisville Terminal Tariff:

Mr. Evan Matthews, Port Director, started by noting the Corporation will be dividing the current Tariff into two separate documents; Terminal Tariff Schedule and The Rules and Regulations for the Use of the Port of Davisville. Mr. Matthews also noted the documents will be filed according to the Administrative Procedures Act and Federal Maritime Commission procedures.

Mr. Matthews outlined the most significant changes to the Tariff; specifically noting the Port of Davisville will allow one change to submitted berth applications but, thereafter, will charge \$500.00 for any amended or modified applications. The Port of Davisville will also charge a \$65.00 per hour fee for any “after hours” services performed by Quonset Development Corporation. Finally, the Quonset Development Corporation will not be liable for costs incurred by users due to labor stoppages or slowdowns, or delays caused by Port-owned equipment failures.

Mr. Matthews stated that dockage, wharfage, demurrage rates, as well as, free time periods will remain the same. Mr. Matthews also stated the Pier Master Fee has been eliminated in the new schedule; however, port security charges will now be billed based on a flat fee based on usage under or over 9 hours in one day. The Corporation will charge \$435.00 on Weekdays and \$650.00 on Weekends/Holidays for security under 9 hours and \$1500.00 on Weekdays and \$1750.00 on Weekends/Holidays for anything over.

Mr. Matthews continued, noting under the new rules and regulations that the Port of Davisville and Davisville Port Authority will be used as trade names but Quonset Development Corporation (“QDC”) shall be used for all business and legal matters. The new documents will also introduce the Port of Davisville’s new email and website addresses.

Mr. Matthews detailed that under the new policy in the rules and regulations, a permit, to be issued by QDC, will be required for hot work and other maintenance on vessels at the Port and no contractor shall be granted access to the Port until a valid maintenance permit has been issued. Lastly, QDC reserves the right to shut down crane operations and associated cargo handling for any safety violations or if conditions are deemed unsafe.

Mr. Breslin asked if the Corporation’s fees for the Port of Davisville were similar to other Ports. Mr. Matthews stated that they were similar.

Mr. Rugh suggested changing the wording on page 15, item 15 to say that alcoholic beverages are not allowed at the Port of Davisville instead of on QDC property since the golf course has an existing restaurant at Quonset.

Mr. Mancini expressed concern that the fee for “Spills” was too low at \$1000.00. Mr. King explained that additional fees for cleanup,

damages, and penalties will also be applicable. Mr. Valois suggested the \$1000.00 fine was more of a processing fee. Mr. King stated the Corporation will compare the fee to other ports in the marketplace.

Upon motion duly made by Mr. Berson and seconded by Mr. Laramee, the Board:

VOTED: The Board of Directors approves and adopts the revised Port of Davisville Terminal Tariff Schedule and Regulations for the Use of the Port of Davisville, subject to the open comment period under the APA, as presented to the Board.

Voting in favor were: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Elizabeth Dolan, John A. Dorsey, John G. Laramee, Gregory A. Mancini, Kerry P. McKay, Anthony F. Miccolis, Jr., and James Rugh.

Voting Against were: None.

Unanimously Approved.

B. Approval of Policies and Procedures in Connection with the Quasi-Public Corporations Accountability and Transparency Act RIGL 42-155:

Mr. King explained that the Corporation has written certain policies

pursuant to the “Quasi-Public Corporations Accountability and Transparency Act” requirements but stated most of the policies noted here were already in place and were put into writing for the purpose of this act. Mr. King also confirmed, upon questioning, that the policies were all reviewed by Hinckley, Allen & Snyder LLP for thoroughness and compliance with RIGL 42-155. Mr. Batty added that the Board members are required to review and approve the Corporation’s policies under the act and Mr. King stated the Bureau of Audits will conduct a performance audit in 2016.

Upon motion duly made by Mr. Berson and seconded by Mr. Laramee, the Board:

VOTED: That the Corporation approve and adopt an Accounting and Administrative Controls policy in the form attached hereto as Exhibit A.

Upon motion duly made by Mr. Berson and seconded by Mr. Mancini, the Board:

VOTED: That the Corporation approve and adopt a Travel Expenses policy in the form attached hereto as Exhibit B.

Upon motion duly made by Mr. Rugh and seconded by Mr. Breslin, the Board:

VOTED: That the Corporation approve and adopt a Charitable Contributions policy in the form attached hereto as Exhibit C.

Upon motion duly made by Mr. Mancini and seconded by Mr. Laramee, the Board:

VOTED: That the Corporation approve and adopt a Credit Card Use policy in the form attached hereto as Exhibit D.

Upon motion duly made by Mr. Mancini and seconded by Mr. Rugh, the Board:

VOTED: That the Corporation approve and adopt a Hiring and Dismissal of Personnel in the form attached hereto as Exhibit E.

Upon motion duly made by Mr. Laramee and seconded by Mr. Asadorian, the Board:

VOTED: That the Corporation approve and adopt a Marketing Expenses policy in the form attached hereto as Exhibit F.

Upon motion duly made by Mr. Breslin and seconded by Mr. Berson, the Board:

VOTED: That the Corporation approve and adopt a Lobbyists' Expenses policy in the form attached hereto as Exhibit G.

Upon motion duly made by Mr. Berson and seconded by Mr. Laramee, the Board:

VOTED: That the Corporation direct the Executive Compensation Committee to perform the tasks set forth on Exhibit H attached hereto.

Voting in favor on all of the above votes were: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Elizabeth Dolan, John A. Dorsey, John G. Laramee, Gregory A. Mancini, Kerry P. McKay, Anthony F. Miccolis, Jr., and James Rugh.

Voting Against were: None.

Unanimously Approved.

Upon motion duly made by Mr. Asadorian and seconded by Mr. Rugh, the Board:

VOTED: That the foregoing policies are not intended to override the provisions of any laws, statutes or ordinances applicable to the Corporation and the Corporation shall, in addition to observing the policies adopted pursuant to the foregoing resolutions, comply with the provisions of all other laws, statutes and ordinances applicable to the Corporation.

Voting in favor were: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Elizabeth Dolan, John A. Dorsey, John G. Laramée, Gregory A. Mancini, Kerry P. McKay, Anthony F. Miccolis, Jr., and James Rugh.

Voting Against were: None.

Unanimously Approved.

C. Approval of Lease Modifications with ATM Development, LLC dba Wide World of Indoor Sports and NK Solar 1, LLC:

Mr. King explained that Wide World of Indoor Sports (“WWIS”) would like to expand their facility by adding an additional 29,900 square foot building on their current leased area, however, they would require additional parking for this building that can’t be accommodated under their current lease. Mr. King stated that NK Solar1, LLC. has leased property on Davisville Road for their 500 kW wind farm that exceeds their needs for their current and future wind farm plans. The Corporation is proposing to reduce NK Solar 1, LLC’s leased area from 5.4 acres along Davisville Road to 3.4 acres and add 1.7 acres to WWIS existing 8.3 acres. The proposed property is located on the opposite side of the Romano Vineyard Way Bridge and will require WWIS to build a walkway under the bridge from the parking lot to their facility. Mr. King compared the rents on the property and stated

they were comparable. Mr. King also explained that WWIS would pay at their current rate for the added property and it would be subject to increases already built into their existing lease.

Upon motion duly made by Mr. Mancini and seconded by Mr. Asadorian, the Board:

VOTED: The Corporation acting by and through its Chair, Vice-chair, Managing Director or Finance Director, each of them acting alone (the “Authorized Officers”) is hereby authorized to enter into, execute and deliver (a) an Amendment to the Lease with ATM Development, LLC dba Wide World of Indoor Sports dated February 1, 2012 adding additional area to the Premises, and other agreements related thereto and (b) an Amendment to the NK Solar I, LLC Lease dated September 10, 2014, reducing the area of the Premises and other agreements related thereto, both Amendments substantially in accordance with the Request for Board Authorization presented to the Board (the Amendments and related documents are referred to herein collectively as the “Agreements”).

VOTED: That each of the Authorized Officers, acting singularly and alone, be and each of them hereby is authorized, empowered and directed to effectuate the intent of the foregoing resolutions by executing, delivering and performing any and all modifications, renewals, confirmations and variations of the Agreements or as any of the Authorized Officers acting singularly and alone shall deem

necessary, desirable and without further specific action by this Board, and empowered and directed to prepare or cause to be prepared and to execute, perform and deliver in the name and on behalf of the Corporation the Agreements and/or all related and ancillary agreements and documents in connection with the terms and conditions to be effectuated by the Agreements, including any and all agreements, contracts, certificates, licenses, assignments, and memorandums upon such terms and conditions and with such changes, additions, deletions, supplements and amendments thereto as the Authorized Officer executing or authorizing the use of the same and shall determine to be necessary, desirable and appropriate and in the best interest of the Corporation.

VOTED: That in connection with any and/or all of the above resolutions, the taking of any action, the executed and delivery of any instrument, document or agreement by any of the Authorized Officers in connection with the implementation of any or all of the foregoing resolutions shall be conclusive of such Authorized Officer's determination that the same was necessary, desirable and appropriate and in the best interest of the Corporation.

Voting in favor were: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Elizabeth Dolan, John A. Dorsey, John G. Laramee, Gregory A. Mancini, Kerry P. McKay, Anthony F. Miccolis, Jr., and James Rugh.

Voting Against were: None.

Unanimously Approved.

6. ADJOURNMENT:

**Upon motion duly made by Mr. Laramée and seconded by Mr. Berson,
the meeting adjourned at 6:04 p.m.**

Respectfully submitted:

**By: _____
Secretary**

E. Jerome Batty,